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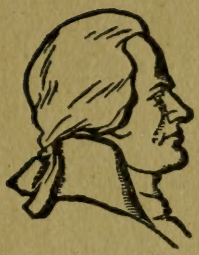
[Modern business Talks]

LEADING THE SALES FORCE

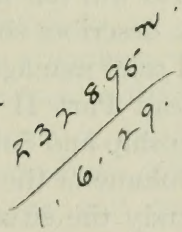


MODERN BUSINESS
TALK No. 14

ALEXANDER HAMILTON INSTITUTE
NEW YORK

Leading the Sales Force

Number Fourteen of a Series of Modern
Business Talks Prepared by the
Alexander Hamilton Institute



ALEXANDER HAMILTON INSTITUTE
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READING ASSIGNMENT
NUMBER FOURTEEN

"Enthusiastic and properly trained selling forces, under the direction of men with a proper conception of the meaning and the importance of sales management, have created markets for their products out of nothing; have succeeded in fields where it was necessary to educate the consumer and create the demand before a sale could be made."—Page 210, Chapter I, Part II, Volume 7 of the MODERN BUSINESS Text.

(1) Read this Talk on "Leading the Sales Force." In the important function of distribution, one of the greatest problems is to secure competent sales management. Unless the salesmen are carefully selected, diligently trained and loyally supported, their efforts will fall far below the proper standard. This Talk describes some of the essential features of successful sales management.

(2) Read Part II (Pages 209-351 inclusive), of "Salesmanship and Sales Management," which is the seventh volume of the MODERN BUSINESS Text.

(3) Study the situation described in Problem 7 and send in your solution for criticism.

Physicians tell us that the bolting of food is one of the sins of the century and responsible for much of the prevailing physical debility. No less injurious to the mind is hasty and ill-digested reading. The habit of "fletcherizing" is as commendable in the absorbtion of mental as in that of material food. Unless one thinks as he reads, much of his reading will be in vain.

"Concentration is the secret of strength."—EMERSON.

Leading the Sales Force

"The first principle in the organization and maintenance of a successful selling force requires that selling be recognized as the most important part of the business."—Page 211, Chapter I, Part II, Volume 7, of the MODERN BUSINESS Text.

The modern highly efficient sales organization is really a wonderful thing. No army was ever organized with greater care; no body of men were ever kept together in harmonious working order by stronger ties of loyalty and devotion to a common cause. Time was when a business house depended upon the "natural" qualifications of individual salesmen brought together in a haphazard way and left largely to themselves as to their individual course of action in the field. Today it is different. Not only are the "traveling ambassadors" selected with great care as to personal fitness and past records, but they are carefully trained, supervised and directed by a competent sales manager.

Leadership in Saleswork

Scientifically conducted sales work is building up mammoth organizations. Standardization of methods is sought and obtained in sales departments no less than in the departments devoted to production

and accounting. The value of team work, cooperation, stimulation of effort by means of contests and prizes, and the infusion and cultivation of *esprit de corps*—the welding of a large number of different elements into one, live, homogeneous organization by means of personal contact directed toward building up the man along with the business —is realized as never before.

It is to be feared that in the past the idea has largely prevailed in business that if one could get a "natural born leader" to direct an enterprise, methods could safely be subordinated to the man. It is now being realized that leaders in business must have more than mental acumen: They must be trained right for the work they are to do. In organizing a sales force, this fact must be kept well to the front. No number of independently-acting salesmen, no matter how talented they may be, can hope to compete successfully with an equal number of properly organized men, even tho these possess only ordinary ability; for men so organized will know how to cooperate efficiently. They will pull together.

Under the old type of sales management nearly everything depended upon the efficiency of individual salesmen. Under the new form, the good-will, the ingenuity and the hard work of the salesmen are encouraged and developed in a systematic manner. In this connection the manager himself assumes certain new duties and responsibilities. He endeavors, for example, to gather from the salesmen all that information with regard to territory, customers, competi-

tors, etc., which formerly was the exclusive property of the salesman in his particular field. This information the sales manager now tabulates, classifies and reduces to rules and principles which can be profitably applied to the work of the entire sales organization.

A Working Formula

Not long ago during a discussion of psychology as related to the selling of goods, a prominent sales manager on being asked to state what principles guided him in the selection of salesmen, expressed himself substantially as follows:

"I haven't any doubt that there is a great deal in this talk about psychology in connection with selling, but unfortunately, in my busy career I haven't had time to go very far into a study of that subject. My formula for selecting salesmen is one that has been evolved thru a period of a dozen or more years during the early part of which I made a number of mistakes in selecting men. Really, it is very simple.

"When a man applies to me for a position on our sales force, he is first asked to submit all necessary information about himself in order that I may know that morally and otherwise he is acceptable. Then I give him an opportunity to sell me his services. If he can do that successfully—if he can meet the objections which I am sure to raise—I conclude that he is likely to be a success in selling our goods and he therefore stands a good chance of obtaining a place in our organization.

"If we admit that there are four general steps in every sale of goods, namely (1) attracting attention, (2) arousing interest, (3) creating desire and (4) inducing action—and most of us today recognize in these steps the process of a sale—I simply apply this principle to the man who wants a job with me.

"In the first place: Does he attract my favorable attention by his manner of approach, dress and general bearing? Do I instinctively say to myself when he comes up to my desk: There is a man whom I think I should like to know. I will hear what he has to say? If so, I know that he is all right as to the first point—he will attract the attention of a prospective customer.

"As he begins to talk, the next question is: Does he justify my favorable first impression and is he interesting me in himself and in his ability? So I let him talk. As he goes along with his talk, I shoot out a question now and then or make some remark that is calculated to throw him off his track unless he has himself and his proposition well in hand. As I sit back and listen, I can pretty readily determine whether his talk is logical and connected and whether his manner of telling his story is one that makes it worth listening to. I find that if you let a man talk in his own way he will soon give you a clue to his mental caliber. Many candidates fall down right here, and I make up my mind on the spot that if he cannot interest me in himself, he is not likely to interest the trade in our goods.

"But suppose he passes this test, there is a third

question to be considered: Does he create desire? In other words, is he making me like him? If I feel myself drawn to him—if the conviction settles upon me that he really is a fellow with a heart as well as a head, and that he is both kind and just, that he has ability to like and to be liked—why then he has got me where I feel I want to hire him. I am not in a hurry to tell him that, however, so I usually do some talking myself, quizzing and commenting, testing his resourcefulness by objecting to some of his statements, until he has got me fully convinced. At this point, I tell him he can consider himself accepted.

"Of course, you have to use judgment in this trying-out business, for quite often the applicants for a position are more or less nervous—they are not quite themselves when they come to see me. Frequently, too, they let themselves down a notch or two because they don't realize that it is just as much a piece of salesmanship to sell me their time and services as it is to sell our goods on the road.

"It is possible that in the course of five years or so, I may have turned down a few good men, yet since I began following this plan I have selected only one poor salesman, and he was a distant relative of mine. I suppose the fact of common blood warped my judgment in his case. He is no longer on our payroll, however."

All of which goes to show, in the first place, that the sales manager must be a good judge of men, able to distinguish between a man of real worth and a

mere pretender, even tho the former may be but a "diamond in the rough," not skilled in the art of "making an impression." In the second place, it suggests that the sales manager should possess that peculiar and really indescribable quality of drawing out the best that is in a man, thereby not only increasing that man's confidence in himself, but stimulating his ambition and his desire to achieve.

A Man of Many Parts

Chapter I of the present reading assignment presents a concise statement of the necessary qualifications of a successful sales manager. As will be seen, the requirements are neither few nor simple; but when we consider that in many instances the signal success or the ignominious failure of a business may be traced directly to the kind and quality of sales management, it is not difficult to understand that successful sales managers fully merit the very large salaries that many of them are paid.

Commenting upon the subject of constructive sales management, Mr. W. A. McDermid, sales manager of Gerhart Mennen Chemical Company says in *Advertising and Selling* for April, 1917:

> The greatest handicap which sales management has to face is immediacy. The energy, the money, the skill, that is flung blindly against obstacles which study, foresight and a little patience would remove, is staggering. Half-baked market analysis, an untried product, an internal organization that cracks under a strain, a trade policy which hasn't been tested with the trade—these are good enough to begin with. "Get the business." After us, the deluge!

Sales management in a big percentage of business, should *not* be primarily concerned with the immediate sales, and this point comprehends pretty nearly the entire code of the most modern methods.

In highly organized, very large businesses, it is undoubtedly not the case, but in the average concern it is probably true, that the sales manager is compelled to influence to some extent every other department. He is, in many lines at least, required to play a varied part.

Quite apart from his immediate direct problems of getting the dotted line signed, he is probably concerned with the way the shipping department packs, and can show them how in a pinch. Unless the advertising manager beats him to it, he has to concern himself with the voice of the telephone operator and the manner of the office boy—they make or lose sales. He has to talk freight rates intelligently with the traffic manager or be his own in an emergency. That he should be at least a close student of advertising is the most obvious thing.

The chances are that he has been compelled to be a fair amateur lawyer; the simplest step in business, the most innocent contract, the casual statement of a salesman, if it touches the problem of price maintenance, is loaded with dynamite in this day of Clayton acts and trade conspiracies. He comes pretty nearly being that impossible thing—a specialist in several lines—and yet this versatility is all a part of the routine task of building a high-speed, powerful, aggressive, dependable sales organization.

Many concerns will think that such a person had better attend to his own knitting—unless we admit and can prove to such concerns that the fundamental principles of good selling may be expressed as permanence. The sales manager's task is more than selling: it is business building, and he has thereby a vital interest in every link in the chain of service, from the mechanic at the bench in his own factory to, let us say, the clerk in the retail stores in Painted Post, who delivers

his product to the consumer. Unless he has that interest and is allowed to test and strengthen and where necessary reforge at least his own links, his selling lacks permanence and so lacks constructiveness. Apply that principle of permanence as a test to his sales force, and it means a low labor turnover—loyalty, enthusiasm, and every other desirable thing in an organization.

Apply the test to the internal machinery—many a sales manager has a brake locked tight behind his back and either doesn't know it or can't correct it, but the drag is on the sales engine because the organization behind it is not being built for permanence.

The growth and advancement of the business depends more on the way a sale is made than on the immediate fact or amount of the sale. Unfortunately, the easiest way is almost always the wrong way, but it brings in the sales more quickly.

Sales management, like charity, usually begins at home. The biggest field for construction is there; the technique of organization and direction is much simpler with the right background.

Power that Spells Success

This ability to choose men and organize them for effective service, imbue them with high ideals and create in them loyalty and devotedness to a common purpose, is not limited to the sale of goods, but is required wherever great things are to be achieved thru organized human effort. The general on the battlefield, the leader in political reform or social improvement, the pioneer in vast industrial undertakings—all need this power over men. The United States has known many men conspicuous for their possession of this ability; so, of course, have other countries. No better example, perhaps, can be

found than the late Lord Strathcona of Canada. As a poor shepherd lad he left Scotland for Canada, and for more than a dozen years after his arrival he was exiled in the wilderness of Labrador, where most men would have deteriorated and given up the struggle. But Donald Smith—as he was then known—determined to climb to the highest office of the company that had sent him to that barren outpost. From the time that he emerged from his solitude, his success was rapid, and it is perhaps especially noteworthy that he made his great achievement at an age when most men have either retired from active work or have done their best work. He was probably best known thru his connection with the Hudson's Bay Company, of which he became chief inspector and finally president. It was thru his instrumentality that Canada gained possession of the Western Provinces which at one time were owned by the Hudson's Bay Company.

He was one of the pioneer builders of the Canadian Pacific Railway. Together with one or two other men, he completed that giant enterprise when nearly all others doubted its possibility. Subsequently, he became president of the Bank of Montreal and finally high commissioner of Canada at London. He died not only wealthy, but loved and honored by the entire country.

The chief elements in his success were his ability to choose men and to organize them into an efficient working force. It was said of him that he amassed the greatest fortune in Canada simply by knowing

how to sell his services. He thought himself into millions and a peerage.

Efficiency engineers assert that not more than one man in ten brings original ideas to his work, and that the average man lives and moves in a circle of routine, does what some thinker tells him to do and lets his unused thinking powers go to waste. If this is so, it accounts for the evident fact that a great many seem unable to rise beyond a certain—not very high—point even tho they possess undoubted native ability. The ability to think is not acquired without effort, and unfortunately many shrink from making the effort. In the words of Joseph French Johnson: "Thinking is hard work; it is much easier to saw wood." But for those who have acquired the art, few things are impossible.

The second chapter in the assignment deals with the selection of salesmen and with the means adopted for finding and securing likely candidates for positions on the sales force. This is no unimportant part of the sales manager's work. In every sales organization of any size men come and go. New men are almost always in demand, and the building up of a complete sales organization in the case of a new enterprise of considerable scope is a process not of weeks and months but of years—usually a number of years. That fact indicates the importance of systematic effort in the task of replenishing and increasing the sales force.

Chapters III-VI deal with the training, compensation and records of the salesmen in the field and contain much information of value to the earnest student of sales management. In chapter VII the subject of cooperation with salesmen is discussed and it is interesting to note the ways and means by which such cooperation is effected.

Letters that Help

One of the chief means of cooperating with the sales force is necessarily the personal letter from sales manager to salesman. The man "on the road," perhaps hundreds of miles away from the home office and engaged in fighting the house's battles against competition, wants to feel that he has back of him a strong, capable and sympathetic sales manager—one who knows the game himself and who can be trusted to treat him "square." The author strongly emphasizes this point in chapter VII of our assignment. As he says: "There is no phase of the sales manager's duties in which he is called upon to exercise more tact and real executive ability than in his letters to his men." Most salesmen are of an emotional temperament; they easily slip into the "dumps" and generally require someone to pull them out. This someone is naturally the sales manager. The right kind of letter has many a time put new life into a salesman who was on the verge of giving up, and has more than once turned threatened defeat into signal victory.

A sales manager once wrote as follows to one of

his new men who had seen but small success since he set out on his trip:

Your letter shows me that you have a fear in your heart about the success of your work. Now, honestly, tell me why should you?

You know as well as anyone that your goods are O. K. and that prices are right. You know that the factories you visit need our goods—must have them, in fact. What if there is competition? We can easily hold our own in any unbiased comparison and under any fair test. You have absolutely nothing to fear. You are selling the customer the best belt-dressing he can buy. You are doing him an absolute favor by bringing our goods to his attention, and he will surely thank you for it as soon as he knows that to be a fact.

Do you doubt this? If you do, you ought not to try to sell the goods at all. You ought to stop this moment and come home. But you *don't* doubt it, for you can't.

Now remember, I know the goods, I know the trade, and I know you. I know that you can sell the goods or I should not have sent you out. So have no fear of the outcome.

But I want you to do this: every morning before starting out, spend half an hour in selling yourself. Take up every objection that you think could be raised and meet it fairly, fully, and enthusiastically, until you feel in your heart that the objection has not a foot to stand on.

Then, when you have sold yourself, go straight for the biggest prospect you have in town. Carry to him the conviction and enthusiasm that you feel. Remember that you are his friend. Yours is entirely a friendly mission—you are there to do him good. He will give you a hearing—and after that, you know it is simply a matter of accepting his order.

And when you are thru with him, and while still aglow with your success, sail right into the next man on your list. He'll be easy enough then.

I tell you, Walker, you've got it in you to do this, and much more.

Then go to it, and good luck to you.

Yours as ever,

That letter hit the salesman at a moment when he felt particularly blue and when he was seriously considering throwing up his job. It put new courage into him, for it showed him that the cause of his failure was within himself. His sales increased immediately and he quickly became one of the firm's best producers. As he said years afterward, when relating his early selling experience: "From that day I never began my day's work without first selling myself."

The Human Touch

It is the experience of every successful sales manager that it is the heart-to-heart letter that counts. The slushy or tactless "ginger talk" which some sales managers constantly employ is likely to create the opposite effect of that which was intended. As in selling goods to the customer, so also in selling helpfulness to the salesman, you must work *with*, not *against* him. As the author reminds us: "As far as possible, criticism should be kept out of these letters." And again: "If the salesman has been derelict and it is necessary for the sake of discipline that he be reprimanded, the language in which the reprimand is couched should be given careful consideration."

The final chapters—VIII and IX—deal with other approved means of stimulating salesmen. They

describe competitive means and show how sales conventions serve to promote individual and corporate selling efficiency. These two chapters are replete with valuable information based upon the experience of a great many successful sales managers. They fittingly bring to a close an interesting and valuable part of the Modern Business Course—that which deals with the making of sales and with the management of salesmen.

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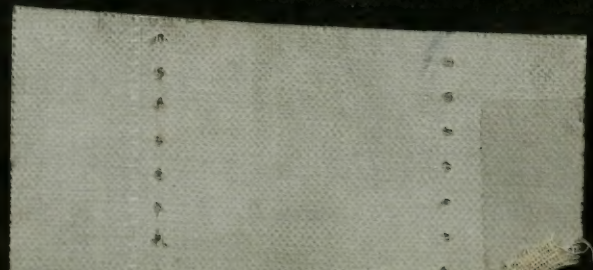

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